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INFORMATIONAL NOTICE

DATE: March 6, 2006

TO: Participating Hospitals, Including Out-of-State Hospitals in Counties
Contiguous to Illinois

Attention: Chief Executive Officers, Chief Financial Officers and
Patient Accounts Managers

RE: Inpatient Payment for Children's Mental Health Program Services

Clarification of eligibility requirement. Children and adolescents enrolled in the Children's Mental Health Screening, Assessment and Support Services (SASS) program who are not enrolled in one of the medical assistance programs administered by Healthcare and Family Services (e.g., Medicaid, KidCare, Family Assist) **must**, by law (59 Ill. Admin. Code 131.30), apply for medical assistance. Effective with claims received on and after March 15, 2006, services to children and adolescents enrolled in SASS who do not meet this eligibility requirement, provided after the first day of enrollment in the SASS program, will not be reimbursed, except as provided herein.

Filing of application. DHS funds services for SASS-enrolled children and adolescents who are (1) not enrolled in one of the HFS medical assistance programs and (2) do not have private insurance at the time they are enrolled in the SASS program. If a child has been hospitalized as part of the SASS intervention, it is the hospital's responsibility to assist and ensure that an application has been filed prior to the end of the hospitalization. If the child is receiving community mental health services only, the CMH provider is responsible for assisting and ensuring that an application has been filed.

Hospital providers may ensure reimbursement for services provided after the first day of enrollment under the SASS program, by assisting these children and their families in applying for medical assistance. Hospitals enrolled as All Kids Application Agents (AKAAs), previously called KidCare Application Agents, will receive a \$50 Technical Assistance Payment (TAP) for each complete application that results in new coverage. A complete application is one where all items of the "Checklist and Technical Assistance Payment Request" form for paper applications or the "AKAA Fax" for electronic applications, have been completed. Means of documenting the application process varies depending upon whether or not the application is submitted in hardcopy paper format or electronically.

The attached document provides information on the application processes for AKAAs. Hospitals interested in enrolling as an AKAA can find the information in the KidCare Application Agent Guide, on the Web site at: <http://www.kidcareillinois.com/notice.html>

Coverage under one of the medical assistance programs administered by Healthcare and Family Services (e.g., Medicaid, KidCare, Family Assist) may be retroactively applied to the beginning of the third month prior to filing the application. It is recommended that all applicants request retroactive coverage at the time the application is completed. By requesting retroactive eligibility, the child may receive full medical benefits for any outstanding services in that time period.

Temporary coverage. Children and adolescents can get immediate coverage (Temporary KidCare) while their application is being reviewed if all of the following are true:

- They are U.S. citizens or meet immigration requirements.
- They have not gotten Temporary KidCare in the past 12 months.
- Their monthly family income is no more than the amounts shown in the chart below. Please note, these are current income standards, and may be subject to change. Refer to the KidCare Web site at: <http://www.kidcareillinois.com/eligibility.html> for updated information.

Number in family	1	2	3	4	5	6
Monthly income	\$1,595	\$2,138	\$2,682	\$3,225	\$3,768	\$4,312

This coverage is in effect on the date that the application for medical assistance is received by a DHS local office or the HFS KidCare office. Answers to frequently asked questions regarding Temporary KidCare can be found on the Internet at: <http://www.kidcareillinois.com/eligibility.html>.

Exception. In those instances where a family is unable, or refuses, to apply for medical assistance, or the hospital finds it impossible to assist the family in applying, the hospital provider may request an exception of the eligibility requirement by contacting the DHS Children and Adolescent Services unit. Hospitals should inform families that if they refuse to file an application, and an exception is not granted, the hospital can bill the family for the hospitalization. By filing a complete application, regardless of the application outcome, the family will not be financially responsible for the hospital stay.

Requests for an exception can be made by calling 773-794-4875. The following information will be required at the time the exception request is made: (1) the hospital's name and HFS provider ID number; (2) the child's name, date of birth, recipient identification number (RIN); (3) the date of initial service; (4) the reason for exception and; (5) a hospital contact person and telephone number. DHS will notify the hospital by telephone on the outcome of the review within one calendar day of the request being made. In addition, the hospital will receive written notification of the review outcome within 10 calendar days.

Processing of claims. If the inpatient stay is a one-day stay, and the admission date is the only date billed, the claim will go through normal processing. All other claims received on and after March 15, 2006 by HFS for services rendered to DHS-funded children will be reported to the hospital provider on a remittance advice as "Suspended for Department Review." Once DHS determines that a complete application has been submitted for the child, or an exception has been granted by DHS, HFS will be notified to release the claim for processing. Providers will receive a subsequent remittance advice reporting the final disposition of the claim.

If no application is filed, and no exception is granted, the claim will be rejected with an error code A77 – No Medicaid Application Was Filed. However, hospitals may rebill and be reimbursed for the admission date only. Any other inpatient days in that stay must be shown as non-covered and any associated charges must be shown as non-covered.

Reimbursement rates. If a complete application is received by DHS or HFS, or an exception to the eligibility application is granted by DHS, the inpatient services will qualify for Disproportionate Share Hospital Adjustment Payments [DSH], Medicaid High Volume Adjustment Payments [MHVA], and Medicaid Percentage Adjustment Payments [MPA] for which the hospital qualifies.

The policies addressed in this notice apply to out-of-state hospitals only if they are located in counties contiguous to Illinois. Any questions regarding this notice may be directed to the DHS Children and Adolescent Services unit at 773-794-4875.

Anne Marie Murphy, Ph.D.
Administrator
Division of Medical Programs

General Overview of the Application Process for All Kids Application Agents

All Kids Application Agents (AKAAs) may submit applications in one of two ways: paper applications or electronic applications. AKAAs receive a "Notice of Determination" on the outcome of applications submitted. The only exception to this is when the applicant is already covered in an active case.

Paper Application Processing

- ▶ The paper Agent Application (2378MC) is available in both English and Spanish on the department's Web site at: <http://www.kidcareillinois.com/agents.html>
- ▶ The first page of the 2378MC application is the "Checklist and Technical Assistance Payment Request" form that must accompany the paper application.
- ▶ AKAAs submitting paper applications should maintain copies of all documents submitted.

Electronic Application Processing through MEDI

- ▶ The online application, also available in both English and Spanish, is an electronic version of the paper 2378MC. AKAAs use the same guidelines for completing the online application as used for a paper application.
- ▶ Each online application is assigned a unique Household ID Number. This ID Number is used on all forms and verifications relating to the application.
- ▶ The online application process allows AKAAs to stop the application at any time and the data that has been completed is saved. Each time the application is saved, the ACAA has up to 32 days to finish the application.
- ▶ AKAAs may return to a saved application by selecting an applicants name from the list of saved applications. Once the application is completed and submitted, it no longer appears on the list of saved applications. .
- ▶ After submitting the online part of the application, AKAAs must print the online application forms and fax them with all verifications to the All Kids Unit within 24 hours to receive a Technical Assistance Payment.
- ▶ One of the forms generated after submittal is the "AKAA Fax," which is the electronic version of the "AKAA Checklist and Technical Assistance Payment Request" form submitted with paper applications.
- ▶ The system verifies that the online part of the application has been submitted electronically. The ACAA can do a page print of this verification, or can print the entire application for their records.

For technical assistance on electronic application processing, please call 217-524-7156.
